

REMARKS/ARGUMENTS

Rejection of claims 1-20 under 35 U.S.C. 103(a):

Claims 1-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ham (US 2002/0196218) in view of Lee (US 2003/0098839).

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Response:

Claims 1-10 have been cancelled, and are no longer in need of consideration. In addition, claims 11 and 16 have been amended to overcome these rejections. Claims 11 and 16 now each specify that a comparison circuit compares P MSB of a current

10 M-bit image data with the N-bit delayed image data to determine a result value. A lookup table (LUT) is also used for outputting an M-bit image value in accordance with the P MSB and the N-bit delayed image data. Claim 11 specifies that a multiplexer is used for outputting the M-bit image value when the result value indicates that the P MSB of the current M-bit image data and the N-bit delayed

15 image data are not equal, and for outputting the M-bit image data when the result value indicates that the P MSB of the current M-bit image data and the N-bit delayed image data are equal. Similarly, claim 16 specifies that a multiplexer is used for outputting Q least significant bits (LSB) of the image value when the result value indicates that the P MSB of the current M-bit image data and the N-bit delayed

20 image data are not equal, and for outputting Q LSB of the M-bit image data when the result value indicates that the P MSB of the current M-bit image data and the N-bit delayed image data are equal.

In other words, in the claimed invention, the multiplexer only utilizes the image

25 value provided by the LUT when the P MSB of the current M-bit image data and the N-bit delayed image data are not equal. If the data values are equal, then the original M-bit image data will be used. These amendment to claims 11 and 16 are fully

supported in paragraphs [0028] and [0029] of the specification as well as Figure 4,
and no new matter is added

On the other hand, Ham teaches in Figure 9 and in paragraphs [0083] to [0085]
5 that the modulated data provided by the LUT 95 is used as long as the difference
between the most significant bit data of two successive frames is not equal to "1".
Therefore, Ham does not teach that the image value provided by the LUT is used
when the result value indicates that the P MSB of the current M-bit image data and
the N-bit delayed image data **are not equal**, and that the image data is used when the
10 result value indicates that the P MSB of the current M-bit image data and the N-bit
delayed image data **are equal**, as is recited in currently amended independent claims
11 and 16.

For these reasons, the combination of Ham and Lee fails to teach all of the
15 limitations of claims 11 and 16. Claims 12-15 and 17-20 are dependent on claims 11
and 16, and should be allowed if claims 11 and 16 are allowed. Reconsideration of
claims 11-20 is respectfully requested.

Applicant respectfully requests that a timely Notice of Allowance be issued in this
20 case.

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Sincerely yours,



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